

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

RECEIVED

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

W-02234A
H2O, Inc.
41502 N. Schnepf Road
Queen Creek AZ 85242

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) <u>H2O, INC.</u>		
Mailing Address <u>41502 N Schnepf Rd</u>		
<u>QUEEN CREEK</u> (City)	<u>ARIZONA</u> (State)	<u>85242</u> (Zip)
<u>480-491-6971</u> Telephone No. (Include Area Code)	<u>480-491-6739</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u></u>		
Local Office Mailing Address <u>SAME</u>		
<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u></u>		

MANAGEMENT INFORMATION

Management Contact: <u>DONALD SCHNEPF</u> <u>PRESIDENT</u>			
<u>41502 N SCHNEPF RD</u> (Street)	<u>QUEEN CREEK</u> (City)	<u>ARIZONA</u> (State)	<u>85242</u> (Zip)
<u>480-491-6971</u> Telephone No. (Include Area Code)	<u>480-491-6739</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address <u></u>			
On Site Manager: <u>SAME</u>			
<u></u> (Street)	<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address <u></u>			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: DAREL SCHNEPF
(Name)

11051 E BALANCING ROCK RD SCOTTSDALE ARIZONA 85267
(Street) (City) (State) (Zip)

480-491-6971 480-491-6739
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Richard L Sallquist - SALLQUIST & DRUMMOND PLLC
(Name)

2525 E AZ BILTMORE CIR #117 PHOENIX ARIZONA 85016
(Street) (City) (State) (Zip)

602-224-9222 602-224-9366
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|---|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

H2O, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accum Depn (AD)	O.C.L.D. (OC - AD)
301	Organization			
302	Franchises	960	282	678
303	Land & Land Rights	7,954	0	7,954
304	Sturctures	209,192	69,798	139,394
307	Well & Springs	30,329	29,110	1,219
311	Pumping Eq.	437,384	17,838	419,546
320	Water Treatment Eq	9,704	3,347	6,358
330	Dist Reservoirs	282,342	43,703	238,639
331	Trans & Dist Mains	964,708	203,631	761,077
333	Services	120,393	22,648	97,745
334	Meters	237,144	51,225	185,918
335	Hydrants	27,500	3,872	23,628
336	Backflow Devices			0
339	Other Plant	62,883	5,739	57,145
340	Office Furniture	31,159	22,756	8,402
341	Transp Eq.	6,055	4,888	1,167
343	Tools & Eq	9,929	6,111	3,818
344	Laboratory Eq			0
345	Power Operated Eq	22,252	20,744	1,507
346	Communication EQ	57,667	9,943	4,617
347	Miscellaneous Eq	4,487	3,777	710
348	Other Tangible Plant	31,871	22,248	9,623
	TOTALS	2,553,913	541,660	1,969,145

This amount goes on the Balance Sheet Acct. No. 108

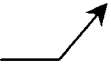


PLANT HELD FOR FUTURE USE				
303.1	Land & Land Rights	1,236	0	1,236
311.1	Pumping Eq.	48,292	48,292	0
	TOTALS	49,528	48,292	1,236

COMPANY NAME**H2O, INC.****CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization			
302	Franchises	960	7.0%	67
303	Land & Land Rights	7,954	0.0%	0
304	Sturctures	209,192	3.7%	7,779
307	Well & Springs	30,329	0.1%	23
311	Pumping Eq.	437,384	2.4%	10,281
320	Water Treatment Eq	9,704	7.3%	705
330	Dist Reservoirs	282,342	4.2%	11,831
331	Trans & Dist Mains	964,708	2.6%	24,895
333	Services	120,393	3.2%	3,908
334	Meters	237,144	7.9%	18,818
335	Hydrants	27,500	2.6%	705
336	Backflow Devices	0		
339	Other Plant	4,487	6.6%	297
340	Office Furniture	31,159	1.8%	555
341	Transp Eq.	6,055	10.8%	656
343	Tools & Eq	9,929	9.6%	958
344	Laboratory Eq	0		
345	Power Operated Eq	22,252	0.6%	133
346	Communication EQ	57,667	9.2%	5,326
347	Miscellaneous Eq	4,487		
348	Other Tangible Plant	31,871	0.0%	0
	TOTALS	2,495,517	3.48%	86,937

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.



COMPANY NAME	H2O, INC.
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BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	131,619	507,077
134	Working Funds		
135	Temporary Cash Investments		7,083
141	Customer Accounts Receivable	72,720	102,572
146	Notes/Receivables from Associated Companies	66,001	66,369
151	Plant Material and Supplies		690,608
162	Prepayments	9,565	9,206
174	Miscellaneous Current and Accrued Assets	(23,400)	(23,400)
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 256,505	1,359,515
	FIXED ASSETS		
101	Utility Plant in Service	2,108,783	3,814,124
103	Property Held for Future Use	46,528	49,528
105	Consturction Work in Progress	681,437	1,170,048
108	Accumulated Depreciation - Utility Plant	(531,362)	(587,112)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 2,305,386	4,446,588
	TOTAL ASSETS	\$ 2,561,891	5,806,103

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME	H2O, INC.
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BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 924	\$ 65,227
232	Notes Payable (Current Portion)	10,000	\$ -
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	39,588	\$ 55,112
236	Accrued Taxes	25,343	\$ 32,081
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	-	\$ 1,252
	TOTAL CURRENT LIABILITIES	\$ 75,854	\$ 153,671
	LONG-TERM DEBE (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 289,288	\$ 281,004
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	1,764,769	\$ 2,196,073
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	351,756	\$ 3,133,173
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax.		
	TOTAL DEFERRED CREDITS	\$ 2,116,525	\$ 5,329,246
	TOTAL LIABILITIES	\$ 2,481,667	\$ 5,763,921
	CAPITAL ACCOUNTS		
201	Common Stock Issued	38,785	\$ 38,785
211	Paid in Capital in Excess of Par Value		\$ 590,859
215	Retained Earnings (Sub S Corp prior to 1978)	(46,276)	\$ (46,276)
	Retained Earnings (C Corp)	38,441	\$ (443,209)
	Current Operations	112,386	\$ (97,976)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	143,337	\$ 42,183
	TOTAL LIABILITIES AND CAPITAL	\$ 2,625,004	\$ 5,806,104

COMPANY NAME **H2O, INC.**

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	761,577	1,003,756.60
460	Unmetered Water Revenue		
474	Other Water Revenue	17,719	361,771.56
	TOTAL REVENUES	\$ 779,295	1,365,528.16
	OPERATING EXPENSES		
601	Salaries and Wages	126,275	298,833
610	Purchased Water	17,944	9,742
615	Purchased Power	73,772	97,509
618	Chemicals	3,905	3,127
620	Repairs and Maintenance	43,100	189,261
621	Office Supplies and Expense	55,374	110,563
630	Outside Services	19,270	40,951
635	Water Testing	3,150	6,980
641	Rents	29,268	130,400
650	Transportation Expenses	76,275	90,106
657	Insurance - General Liability	1,341	7,965
659	Insurance - Health and Life	22,533	26,387
666	Regulatory Commission Expense - Rate Case	5,764	4,384
675	Miscellaneous Expense	5,547	120,000
403	Depreciation Expense	62,710	89,240
408	Taxes Other Than Income	17,732	32,270
408.11	Property Taxes	31,531	34,969
409	Income Taxes	7,500	-
	TOTAL OPERATING EXPENSE	\$ 602,989	1,292,687
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income		(13,871)
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	21,330	17,265
	TOTAL OTHER INCOME/EXP	\$ 21,330	3,395
	NET INCOME (LOSS)	\$ 154,976	69,446

COMPANY NAME

H2O, INC.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1985	1999		
Source of Loan	Well & Pump purchase	WIFA		
ACC Decision No.	56327	62620		
Reason for Loan	Backup Source Well	New Source Pump & Storage		
Dollar Amount Issued	\$40,000	\$ 254,117	\$	\$
Amount Outstanding	\$32,444	\$ 233,222	\$	\$
Date of Maturity	Open	2021		
Interest Rate	9.0	5.84		
Current Year Interest	\$ -0-	\$ 13,904	\$	\$
Current Year Principle	\$ -0-	\$ 7,662	\$	\$

Meter Deposit Balance at Test Year End

\$ 472,202

Meter Deposits Refunded During the Test Year

\$ 24,127

COMPANY NAME

H2O, INC.

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*		Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-605835	1	200	1050	1,200'	20"/16"	6"	1950
55-605837	3	200	500	1,200'	16"/14"	8"	1966
55-605834	4	400	1500	1,200'	16"/14"	10"	1966
55-605836	2	N/A	N/A	1,200'	20"/16"	N/A	1950

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
QUEEN CREEK WATER CO		2,964

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	7	35	
20	3		
50	3		
100	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
200,000	1	5,000	4
300,000	1		
500,000	1		
750,000	1		

COMPANY NAME

H2O, INC.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	468
3/4	1474
1	163
1 1/2	6
2	43
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

1-Capital Control Gas Chlorinator

1-Regal Gas Chlorinarot

STRUCTURES:

Electric Service Entrances on Wells 1,3 & 4

Chlorine enclosures @ Main Plant & Links/Cambria Plant

Steel Shade over Pumps & Electrical Eq at Main & Links/Cambria Plants

Chain Link Fences @ Well #3

8' Concrete Block Walls @ Main Plant; Well #4 & Links/Cambria Plants

OTHER:

COMPANY NAME:

H2O, INC.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	1432	17,541	20,413
FEBRUARY	1450	13,366	15,575
MARCH	1487	14,678	11,323
APRIL	1615	18,389	25,600
MAY	1686	31,432	35,191
JUNE	1692	35,754	40,371
JULY	1815	35,365	42,604
AUGUST	1844	35,681	45,899
SEPTEMBER	1950	34,324	41,107
OCTOBER	2009	33,960	38,135
NOVEMBER	2096	26,769	31,744
DECEMBER	2154	27,885	33,468
TOTAL		N/A	376,814

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ Yes☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes☐ NoIf yes, provide the GPCPD amount: 100What is the level of arsenic for each well on your system. .002 - .004 mg/l*(If more than one well, please list each separately)****Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME H2O, INC. **YEAR ENDING 12/31/2003**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 34,969

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME H2O, INC. **YEAR ENDING 12/31/2003**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability -0-

State Taxable Income Reported _____
Estimated or Actual State Tax Liability 50

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

JUN 07 2004

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

<small>COUNTY OF (COUNTY NAME)</small>	MARICOPA
<small>NAME (OWNER OR OFFICIAL) TITLE</small>	PRESIDENT
<small>COMPANY NAME</small>	
H2O, INC.	

**AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 1,133,103

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 72,181

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL

480-491-6971

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

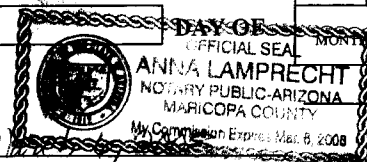
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

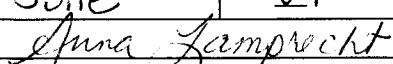
4th

(SEAL)

MY COMMISSION EXPIRES



March 6, 2006

<small>COUNTY NAME</small>	
Maricopa	
<small>DAY OF</small>	<small>MONTH</small>
June	2004
<small>SIGNATURE OF NOTARY PUBLIC</small>	
	

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

JUN 07 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)		MARICOPA
NAME (OWNER OR OFFICIAL)	DONALD SCHNEPF	TITLE PRESIDENT
COMPANY NAME		H2O, INC.

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

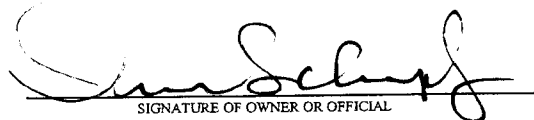
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 885,226.

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 56,391.
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

DAY OF

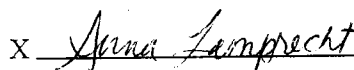
(SEAL)

MY COMMISSION EXPIRES



March 6, 2008

NOTARY PUBLIC NAME Anna Lamprecht	
COUNTY NAME Maricopa	
MONTH May	2004

X 

SIGNATURE OF NOTARY PUBLIC

Pinal County Treasurer TAX RECEIPT

PO Box 729

Florence, AZ 85232-0729

Phone: (520) 866-6412 Fax: (520) 868-9007

www.co.pinal.az.us/treasurer e-mail: treasurer@co.pinal.az.us

Paid By: H20 INC	IMPO Batch: 2065301
	Payment Date: 5/09/2003
	Interest Date: 5/09/2003
POB 40340	Printed By: TRSLBM
MESA, AZ 85274	

Parcel Number	Description	Amt Pd	Balance Due	If Paid By
104-22-038B6	2002 Taxes	213.50		
	2002 Int/Fee	2.84		
	Paid	216.34	2.87	05/31/2003
			2.91	06/30/2003
			2.95	07/31/2003
BEG AT N1/4 COR OF SEC 20-2S-8E, THE E-198.92' TO TPOB T HE-200' OF S-283' TH W-200' TH N-283' SEC 20-2S-8E 1. 30 AC				
104-46-077C5	2002 Taxes	56.72		
	2002 Int/Fee	.75		
	Paid	57.47	.75	05/01/2003
QUEEN CREEK RANCHOS: TRACT 9 .52 AC				
104-46-095C3	2002 Taxes	1,080.46		
	2002 Int/Fee	14.39		
	Paid	1,094.85	14.58	05/31/2003
E-1383.55' OF TRACT 6 LESS TR 8 OF QUEEN CREEK RANCHOS SEC 16-2S-8E 10.36 AC +OR-				
908-44-40404	2002 Taxes	14,334.41		
	2002 Int/Fee	191.12		
	Paid	14,525.53	193.66	05/31/2003
TOTAL VALUE OF OPERATING PROPERTY				
104-26-139	2,580 104-46-095-B			
3,600				

Pinal County Treasurer TAX RECEIPT

PO Box 729

Florence, AZ 85232-0729

Phone: (520) 866-6412 Fax: (520) 868-9007

www.co.pinal.az.us/treasurer

e-mail: treasurer@co.pinal.az.us

Paid By:	H2O INC	CNTR Batch:	2066294
	PO BOX 40340	Payment Date:	5/19/2003
	MESA, AZ 85274	Interest Date:	5/19/2003
		Printed By:	TRSDSH

Parcel Number	Description	Amt Pd	Balance Due	If Paid By
104-22-038B6	2002 Taxes	2.84		
	2002 Int/Fee	.03		
	Paid	2.87	.00	
	Total Paid	<u>2.87</u>		
BEG AT N1/4 COR OF SEC 20-2S-8E; TH E-198.92' TO TPOB T H E-200' OF S-283' TH W-200' TH N-283' SEC 20-2S-8E 1. 50 AC				
104-46-077C5	2002 Taxes	.75		
	Paid	.75	.00	
	Total Paid	<u>.75</u>		
QUEEN CREEK RANCHOS: TRACT 9 .52 AC				
104-46-095C3	2002 Refund	14.58		
	Paid	14.58	.00	
	Total Paid	<u>14.58</u>		
E-1383.55' OF TRACT 6 LESS TR 8 OF QUEEN CREEK RANCHOS SEC 16-2S-8E 10.36 AC + OR -				
908-44-40404	2002 Taxes	191.12		
	2002 Int/Fee	2.54		
	Paid	193.66	.00	
	Total Paid	<u>193.66</u>		
TOTAL VALUE OF OPERATING PROPERTY 104-26-139 2.580 104-46-095-B 3.600				

Pinal County Treasurer TAX RECEIPT

PO Box 729

Florence, AZ 85232-0729

Phone: (520) 866-6412 Fax: (520) 868-9007

www.co.pinal.az.us/treasurer

e-mail: treasurer@co.pinal.az.us

Paid By:	H2O INC	CNTR Batch:	2087127
	41502 N SCHNEPH RD	Payment Date:	10/31/2003
	QUEEN CREEK, AZ 85242	Interest Date:	10/31/2003
		Printed By:	TRSMBY

Parcel Number	Description	Amt Pd	Balance Due	If Paid By
104-22-038B6 2003	Taxes	247.09		
	Paid	247.09	247.09	05/01/2004
	Total Paid	<u>247.09</u>		
BEG AT N1/4 COR OF SEC 20-2S-8E; TH E-198.92' TO TPOB T H E-200' OF S-283' TH W-200' TH N-283' SEC 20-2S-8E 1. 30 AC				
104-46-061B5 2003	Taxes	67.46		
	Paid	67.46	.00	
	Total Paid	<u>67.46</u>		
QUEEN CREEK RANCHOS: TRACT 3 .18 AC				
104-46-077C5 2003	Taxes	50.11		
	Paid	50.11	50.11	05/01/2004
	Total Paid	<u>50.11</u>		
QUEEN CREEK RANCHOS: TRACT 9 .52 AC				
104-47-038B3 2003	Taxes	63.82		
	Paid	63.82	.00	
	Total Paid	<u>63.82</u>		
QUEEN CREEK RANCHOS: TRACT 2-A .23 AC				
908-44-40404 2003	Taxes	17,276.80		
	Paid	17,276.80	17,276.80	05/01/2004
	Total Paid	<u>17,276.80</u>		
TOTAL VALUE OF OPERATING PROPERTY 104-26-139 2,580 104-46-095-B 3.600				

RECEIVED
JAN 23
H2O INC

H2O INC.
OPERATING ACCOUNT
41502 N SCHNEPF RD.
QUEEN CREEK, AZ 85242



2207

91-557/1221

DATE June 17, 2003

PAY 608.41 CTS DOLLARS \$608.41

TO
THE
ORDER
OF

Maricopa County Treasurer
P.O. Box 73574
Phoenix, AZ 85062-8574

NOT NEGOTIABLE

⑈002207⑈ ⑆122105579⑆100 2322 7⑈

H2O INC.
OPERATING ACCOUNT

DELUXE - FORM WVC-3 V-5

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS	
			ACCT. NO.	AMOUNT
	Personal Property Taxes 1/2 2002 608-44-100 6			

and
desc

PERIOD ENDING	TOTAL EARNINGS	DEDUCTIONS								TOTAL DEDUCTIONS	NET PAY
		F.I.C.A.	WITHHOLDING U.S. INC. TAX	STATE INC. TAX							

In accordance with A.R.S. 42-18107B on tax liens, an Advertising Fee of \$5.00 or 5%, whichever is greater, is required on payments after December 31.

479-PRTCHTL

TAXPAYER'S STATEMENT, KEEP TOP PORTION FOR YOUR RECORDS

H2O INC.
OPERATING ACCOUNT

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

DELUXE - FORM WVC-3 V-5

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS	
			ACCT. NO.	AMOUNT
	Personal Property Taxes 1/2 2002 608-44-100 6			

EMPLOYEE

PERIOD ENDING	TOTAL EARNINGS	DEDUCTIONS								TOTAL DEDUCTIONS	NET PAY
		F.I.C.A.	WITHHOLDING U.S. INC. TAX	STATE INC. TAX							

V-5

H2O INC.
OPERATING ACCOUNT
41502 N SCHNEPP RD.
QUEEN CREEK, AZ 85242

HOME
NATIONAL BANK
Scottsdale, AZ 85260

2519

91-557/1221

DATE 10-03-03

PAY 760.99 CTS DOLLARS \$ 760.99

TO
THE
ORDER
OF
Maricopa County Treasurer
P.O. Box 78574
Phoenix, AZ 85062-8574

NOT NEGOTIABLE

⑈002519⑈ ⑆122105579⑆100 2322 7⑈

H2O INC.

DELUXE - FORM WVC-3 V-5

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS	
			ACCT. NO.	AMOUNT
1-30-03	Parcel/Account #608-44-100 6 Personal Property first half of 2003	760.99	608-02	

EMPLOYEE _____

PERIOD ENDING	TOTAL EARNINGS	DEDUCTIONS							TOTAL DEDUCTIONS	NET PAY
		F.I.C.A.	WITHHOLDING U.S. INC. TAX	STATE INC. TAX						

V-5

Please cancel all Personal Property Taxes due from H2O, Inc. under the above referenced Parcel No. effective June 30, 2003.

Sincerely,



Donald L. Schnepf
President

enclosures

e-mail <donald@futureone.com>